

Expanded abstract

Environmental accounting as a tool for incorporating environmental sustainability in Social Economy companies

The Environment is current and has become a capital issue for any field of study or research. Accounting as a science that collects economic and social changes cannot remain outside the current environmental problem that our world suffers and that is why we should not see Accounting as part of the problem but as part of the solution.

Currently in Spain there has been a process of institutionalization of the Third Sector, which has led to a stable growth in the number of organizations. For these entities, accounting is even more relevant than for profit-making entities, since many of these entities can be financed through subsidies or donations, which are usually awarded once the projects have been completed. So it is essential that these entities carry out accurate accounting that allows them to carry out their activity with the fewest possible errors, since otherwise they could present a deficit situation until the moment of collecting that subsidy or reach the extreme case, to lose it.

The main objective of this article is to carry out a descriptive analysis of how traditional Accounting collects the environmental aspects of an organization and how Environmental Accounting can be a useful tool for the Social Economy, facilitating the provision of information and the achievement of those Objectives Sustainable Development (SDG) focused on environmental aspects; as well as the contribution it can make to achieve sustainability in social economy entities.

For this, the economic and business functions that the environment may have are analyzed and how the different accounting regulations of the Social Economy have collected these aspects. The level of research presented in this work is descriptive, through an analysis and interpretation of the current situation of the relationship between the SDGs and the social economy. This work is based on a documentary bibliographic research through a review in the main databases such as academic journals, official documents published by international and national organizations on the subject. We also show that a possible limitation would be the lack of empirical work that could corroborate our conclusions.

The concept of environment in the business is very broad, and can be defined as the living environment including within it the natural, cultural and social environment of the entity over a specific period of time. The functions of the environment can be grouped into three blocks: supply of resources (source), absorption of waste (sink) and environmental services. All this makes us think that current production and consumption models are unsustainable, urging a generalized change in business management models. Taking into account all the above, the

production process of companies must move towards a model where companies adopt environmental and social policies.

The company can opt for a traditional position using nature as a resource owned by the company, which can be used, degraded and the costs of this use are borne by society, but it can also choose a position of conservation, preservation or repair of nature. This means, at the accounting level, internalizing environmental costs and expenses instead of externalizing them to society.

These new models of environmentally and socially responsible management are the foundations of the Social Economy, in which we must highlight the special sensitivity of these organizations to the challenges that arise in the 21st century in terms of social and environmental conservation, reflected in the Sustainable Development Goals (SDGs).

Environmental Accounting is a tool that allows measuring eco-efficiency in aggregate economic terms, considering natural assets (whether direct, contingent or intangible) and developing both the economic and ecological dimensions of companies. This accounting will provide some advantages such as knowing the degree of compliance with environmental legislation, a better estimate of real costs, helping managers in making decisions, detecting critical areas of the company or identifying strategic opportunities.

The literature that addresses the relationship between social responsibility, sustainability and accounting has been increasing progressively. There are various works dedicated to the relationship between these concepts over the last decade, but it is undoubtedly necessary to continue in this line of research, even more so now that society has been hit by economic and health crises that have affected the social and environmental values, causing a slowdown in well-being.

Companies with financial statements that include environmental data and a valuation in monetary terms of their investments, allow them to have competitive advantages over those companies that do not have this information, so it can be considered that environmental accounting promotes the sustainable development of companies.

Social Economy entities have the task of balancing the complex interaction between social and economic objectives. From a more positive point of view, they have the strength to combine their economic, social and environmental objectives and their operating principles, contributing to development policies and challenges, poverty reduction and the achievement of the Sustainable Development Goals. (SDS).

If we analyze the SDGs, we can identify the three dimensions: economic development, social inclusion, and environmental sustainability. We can say that the social economy is committed to the SDGs because its business model is people-centered, socially responsible and based on values where participation, transparency, democracy, solidarity and social cohesion are the signs of identity.

Throughout these years we have witnessed an advance in the accounting legislation of the Social Economy, with adaptations of the General Accounting Plan or the drafting of laws such as the Social Economy Law or ministerial orders of specific regulations. Among the main results, accounting regulations do not establish differences between conventional companies

and Social Economy companies and that the contribution of accounting information by companies is far from being totally transparent, homogeneous and complete.

All this leads us to conclude that the demands for environmental information from companies are increasing and financial accounting has been insufficient to meet this objective. For this, companies, especially those in the social economy, must be equipped with tools that facilitate the publication and use of this information. Environmental Accounting can be one of those tools to improve the management of companies' environmental responsibilities and their incorporation into decision-making. The implementation of a conceptual framework of environmental accounting within Social Economy companies can be an opportunity for them and for the fulfillment of the SDGs.

Companies that want to implement the SDGs in their management and guarantee the sustainable use of natural resources must establish policies that seek to be socially and environmentally responsible.